EXHIBIT 38

Sources: College Football Playoff agrees to new contract with ESPN

Ross Dellenger
Senior College Football Reporter
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College leaders have struck a deal on a new College Football Playoff contract.

Executives from the 10 FBS conferences and Notre Dame agreed Friday to a new contract with ESPN that will begin in 2026, coming to terms on a new revenue-distribution model and protections related to a future playoff format. The news was expected after Big 12 and ACC presidents voted Wednesday to authorize their commissioners to adopt the new framework.

The two conferences were viewed as most reluctant to agree to a framework that puts them at a financial disadvantage.

Conference commissioners and leaders from Notre Dame signed memorandums of understanding on the concepts previously reported by Yahoo Sports as it relates to revenue and format as well as the new deal with ESPN.

The new television contract with ESPN is a six-year extension through the 2031 playoff and will pay the CFP $1.3 billion annually — about three times the amount the network distributed for the four-team version. Those figures were reported by ESPN itself in a story in January.

A playoff format is not expected to be finalized until a later date, though protections and guarantees related to a 12- or 14-team format are part of the agreement. The champions of the four major conferences and the highest ranked Group of Five champion will earn an automatic qualifying spot into any playoff.

Notre Dame is expected to have its own protections related to a format. The Irish can earn a guaranteed at-large spot based on their CFP ranking. That guarantee is contingent, however, on the number of automatic qualifiers in a finalized format.

How to distribute the money was an intense and at times contentious process among conference commissioners — a debate that started in earnest about six weeks ago.

As detailed in a Yahoo Sports story last Friday, the new revenue-distribution model is heavily weighted toward the Big Ten and SEC. In the past structure, the five major conferences mostly split 80% of the CFP's $460 million in revenue evenly.

The College Football Playoff will look different after the 2025 season. (Brian Rothmuller/Icon Sportswire via Getty Images)

The Big Ten and SEC will combine to earn about 58% of the CFP's base distribution (29% each). The figure would greatly exceed the ACC and Big 12's combined distribution number, which is expected to be around 32%. The ACC will get 17.1% while the Big 12 receives 14.7%. The remaining amount (roughly 10%) will be distributed to Notre Dame and the 64 Group of Five teams.

The difference in distribution between the two sets of conferences — SEC/Big Ten and ACC/Big 12 — could exceed $300 million. The Power Two stand to earn a combined figure that should eclipse $700 million, far more than the ACC and Big 12's number of around $400 million. Roughly $115 million is slotted for the Group of Five.

With the increase in the ESPN distribution, no school's revenue will decrease. Major conference schools currently receive about $6 million in distribution from the CFP. The SEC and Big Ten schools will see their annual distribution triple if not quadruple into the low $20 million range. ACC and Big 12 schools are set to see a more than doubling of their

previous amounts. Independents UConn, Washington State and Oregon State will get a small portion.

Notre Dame, one of the sport's historical powers that retains its seat in the CFP governance structure, will see its distribution double to $12.5 million annually — with a caveat that includes a financial bonus. The four independents are eligible for a performance-distribution payout. If Notre Dame or other independents qualify for the playoff, they each receive a flat fee of $6 million.

Notre Dame is also the only major conference school that will not sustain a financial impact of losing multi-million dollar payouts from bowl contracts. The SEC, Big Ten, Big 12 and ACC all leave behind lucrative bowl tie-in contracts with the Rose, Orange and Sugar Bowls specifically.

Aside from the provision around independents, the performance-distribution structure, in the past eligible to all teams, has been eliminated in this contract.

The CFP revenue distribution model was largely based on historic success in the playoff over the previous decade. Considering future realignment moves, the SEC and Big Ten account for 72.5% of CFP participants. The SEC leads all conferences with 17 in the four-team field when factoring in Oklahoma and Texas. The Big Ten is next at 12 when factoring in its four new schools. The ACC (7 teams) and Big 12 (2) follow.

The contract was expected to include a definitive "look-in" provision in 2028, where revenue distribution and format can be reevaluated. The look-in provision can be triggered earlier by any conference realignment.

An official format may not arrive until the coming weeks or months.

For 2024 and 2025, the format is set as a 5+7 12-team model, which grants automatic qualifying spots to the five highest-ranked champions and seven at-large spots to the next highest-ranked teams. The revenue model is also set for the next two years based on the previous formula. There are increases from the original four-team playoff. Expanding from four to 12 teams triggered an automatic bump in the distribution of a combined $460 million in 2024 and 2025.

https://sports.yahoo.com/sources-college-football-playoff-agrees-to-new-contract-with-espn-161830007.html?guccounter=1

Just like their heavy revenue share, the SEC and Big Ten are expected to hold significant weight in determining a format starting in 2026. A variety of 14-team formats continue to circulate across the industry.

One under consideration is a 5+9 model that mirrors the current 5+7 12-team format but features an additional two at-large spots. There still exists the possibility of multiple automatic qualifiers for individual leagues, including a format that grants three automatic qualifiers each to the SEC and Big Ten, two each to the ACC and Big 12 and one to the highest ranked Group of Five program, with three at-large spots — a 3-3-2-2-1+3 model.

There is a 2-2-1-1-1+7 model under consideration, too. It grants two automatic berths each to the SEC and Big Ten, one each to the ACC and Big 12, one to the highest-ranked Group of Five, with seven at-large spots.

The concept of the Big Ten and SEC holding exclusive rights over the two first-round byes has received enough pushback that it has been tabled, at least for now, as Yahoo Sports reported last Friday.

The money is the more important matter.

Revenue is more significant than ever. The major conferences and their members are gearing up for a future athlete compensation model. The concept — whether employment, revenue sharing or collective bargaining — necessitates extra cash flow to be put aside for players.

The leagues are also in jeopardy of owing billions of dollars in retroactive NIL pay and television distribution as result of several ongoing antitrust lawsuits.